

TRINA A. HIGGINS, United States Attorney (#7349)
CARL D. LESUEUR, Assistant United States Attorney (#16087)
Attorneys for the United States of America
Office of the United States Attorney
111 South Main Street, Suite 1800
Salt Lake City, Utah 84111-2176
Telephone: (801) 524-5682
Email: carl.lesueur@usdoj.gov

SEALED

IN THE UNITED STATES DISTRICT COURT
DISTRICT OF UTAH

UNITED STATES OF AMERICA,

Plaintiff,

vs.

AARON A. WAGNER,

Defendant.

Case No. 2:24mj1042-DAO

FELONY CRIMINAL COMPLAINT

Judge Daphne A. Oberg

Before the Honorable Daphne A. Oberg, United States Magistrate Judge for the
District of Utah, appeared the undersigned, who on oath deposes and says:

COUNT I
18 U.S.C. § 1343
(Wire Fraud)

1. **THE SCHEME.** From on or about a date believed to be no later than August 1, 2021 to on or about a date believed to be no earlier than September 27, 2024, defendant AARON A. WAGNER devised and intended to devise a scheme to defraud private investors and lenders in restaurant businesses managed by WagsCap Food

Services, LLC and other related entities, and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises to those investors.

2. **MANNER AND MEANS.** It was part of the scheme that AARON A. WAGNER, and those acting at his direction:

- a) would offer an investment or loan with a pitch describing a restaurant or real estate project needing funding;
- b) would show off to investors in person and in promotional materials WAGNER's own lavish lifestyle (including personal jets, exotic vehicles, luxury vacations, etc.) to induce investors to believe that he was a successful businessman; all without disclosing that many of these indicators of success were in fact financed by investor funds he had stolen from the very businesses they were meant to support;
- c) would provide prospective investors or lenders false information about the scope and success of his and WagsCap's past business ventures;
- d) would falsely represent and agree that the funds would be used for investment in specific restaurants or real estate projects;
- e) would form entities for each of the projects;
- f) upon receiving investor funds, would divert the funds to other uses, including personal expenses and other projects;
- g) would repeatedly raise investment or loan funds for new projects with new groups of investors or lenders;
- h) would divert funds raised from a new group of investors for one project to fund a separate, failing project for an earlier group of investors that included himself or his own entities, in order to conceal the fact that he had already squandered or diverted the investors' money and to conceal from them the fact that the funds were actually from a new or different investor group;
- i) for projects that were successful, would embezzle operating funds, artificially inflate the business expenses to cover their

embezzlement, and distribute to the partners only those profits remaining after the inflated business expenses;

j) would move funds freely among all of the different investment projects' accounts and his own assets and accounts, for the purposes of concealing the fact that he had already diverted and squandered investors' funds;

k) would manage the projects and the books, knowing and intending to help deceive and defraud the investors; and

l) would conceal and perpetuate the scheme by silencing critics and using deceptive means to disable and remove their social media accounts.

3. On or about December 6, 2021 in the District of Utah and elsewhere,

AARON A. WAGNER,

the defendant herein, for the purpose of executing the scheme described above, and attempting to do so, caused to be transmitted by means of wire communication in interstate commerce a wire transfer of \$2,000,000 from a bank account in Nebraska to a bank account in Utah ending in x5451, all in violation of 18 U.S.C. §§ 1343 and 2.

This complaint is made on the basis of investigation consisting of the following:

4. I am a Special Agent with the FBI in Salt Lake City, Utah. I have been an FBI Special Agent since 2014. In my capacity as a Special Agent with the FBI, I have conducted and participated in numerous official investigations into mail and wire fraud, money laundering and other financial and computer crimes as well as drug trafficking crimes. I am a graduate of the FBI Training Academy in Quantico, Virginia and have also attended training classes in the investigation of financial crimes. As an FBI Special

Agent, I am familiar with the use of financial accounts by those who operate fraudulent schemes and the types of transactions reflected on financial account records. I am also familiar with the principles of tracing assets into and through financial accounts, including the subsequent purchase of property using the originally traced assets.

5. The facts in this affidavit come from my personal observations, my training and experience, and information obtained from other agents and witnesses. This affidavit is intended to show merely that there is sufficient probable cause for the requested complaint and warrant and does not set forth all of my knowledge about this matter. Based on my training and experience and the facts as set forth in this affidavit, there is probable cause to believe AARON A. WAGNER has engaged in a wire fraud in violation of 18 U.S.C. § 1343.

6. I interviewed an investor who indicated that, in December 2021, WAGNER raised \$2,000,000 from a Nebraska investment group headed by this investor. The funds were to be used to build Hello Sugar restaurant locations. I reviewed a copy of a subscription agreement that appeared to be signed by WAGNER confirming that this was the authorized use of these funds.

7. Bank records and title company records indicate that, a couple weeks later, WAGNER used the funds instead to purchase an airplane for WCFS Travel. Specifically, the bank records indicate the funds were wired on December 6, 2021 from a West Gate Bank account in Nebraska to a US Bank account in Utah under the name Sugar Group X LLC with an account number ending in x5451. On December 20, 2021, these funds were

used to wire \$400,000 from account x5451 to an account for WagsCap Food Services, LLC at US Bank with an account number ending in x7979. Prior to receiving these wires, the balance in account x7979 was approximately \$75,000. These funds were used that same day to wire from account x7979 payment of \$300,000 to an aircraft title company. That company provided a closing statement indicating this was a payment applied toward the purchase of an aircraft for WCFS Travel, LLC.

8. I reviewed records WAGNER provided as part of the purchase documents, indicating WAGNER is the sole member of WCFS Travel. The closing documents indicate the total value of the plane was approximately \$8.39 million, \$6 million of which was financed through bank lending. Most of the remaining \$2.39 million in funds applied toward the purchase were traced through bank records I reviewed. The funds came almost entirely from accounts for investments in the restaurants Hello Sugar, Las Botellas, and Dirty Bird.

9. The interviewed Hello Sugar investor indicated he was not aware of and did not approve the purchase of an airplane with the investment funds. In short, WAGNER used a portion of the Hello Sugar investors' \$2 million to acquire an airplane for himself, and it appears the Hello Sugar investors received nothing.

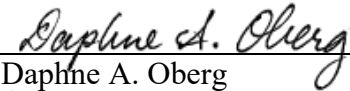
10. We obtained records indicating the airplane was sold less than a year later. An analysis of the bank records indicates that none of the proceeds were returned to the Hello Sugar investor fund.

Based on the foregoing information, your affiant respectfully requests that warrant's of arrest be issued for AARON A. WAGNER for violations of 18 U.S.C. § 1343.



Affiant,
Special Agent BRAD SIMONS

SUBSCRIBED AND SWORN to before me this 23rd day of October, 2024.



Daphne A. Oberg
United States Magistrate Judge

APPROVED:

TRINA A. HIGGINS
United States Attorney



CARL D. LESUEUR
Assistant United States Attorney